

OSA-1250-63

5 March 1963

Dear Bill,

Your letter of 14 February 1963 and the attached report prepared by Bill T's Staff has been received; again the results are gratifying. I trust you and Bill T. are aware that this monthly document is regarded as most significant by our Program Directors.

On the occasion of your recent visit we discussed our anticipated work load. During the past two weeks that work load has become an actuality, and I am assured Herb S. has brought you up to date on our approach to the problem. The new development, tremendous in scope, has greatly increased our program responsibility. At your immediate location I expect you to take appropriate measures to strictly compartment the two efforts. Visitor control will be most important and I suggest you assure that Kelly's people, in a position to receive visitors from both sides, are thoroughly indoctrinated. Furthermore, I would appreciate a report on what specific physical measures are being undertaken to effect compartmentation.

25X1 For your information, we have recently received a report of the debriefing of [] at San Diego. I am personally following up the Ft. Worth publication and will keep you advised of our controls in that regard. Definite steps have been made to establish a reporting contact in the Southwest U.S.

Concurrent with the additional effort we must anticipate additional speculation, particularly within industrial circles. Hence it is of utmost importance that we keep in touch with industrial contacts already established. In addition to your expected visit to NAA, I strongly suggest you plan to recontact the man in Denver.

Before commenting on specific sections of the January report, let me say that the vendor visits should continue to enjoy a high priority with Bill's Staff. Obviously they are serving their purpose well.

25X1 The measures taken during the past month to lessen speculation about Company trucks and to preclude future loss of materials from Project vehicles are sound. The action taken in the [] (VIII, C) was also good, and I trust [] and his associates have

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been admonished to be more cautious.

Section I, C, touches on a matter of extreme interest. Please keep abreast of this situation and provide me with a survey report. Utilization of an additional shuttle stop creates the dangers of increased speculation and penetration by unauthorized personnel. Please include in your survey preventive measures you and Bill T. propose to utilize.

Concerning Section I, F, the briefing of vendor personnel, please assure that no briefings are conducted without your concurrence. We are aware of the need for expeditious clearances, and wherever possible we do all in our power to support you. The principle of briefing no one until clearance action is completed should be adhered to whenever possible; in cases where a "security-type" clearance is feasible, I suggest you anticipate the requirement in sufficient time for us to conduct indices searches.

The action described in Section II, A, 4, is a satisfactory remedy for the individual incident, however the incident implies that you, Charlie and Bill T. might well reiterate telephone security policies to cleared personnel. We have repeatedly urged use of electronic messages rather than telephone.

Section VIII, D, of the report is noteworthy, and slightly disturbing. The tone of the paragraph implies some dissension between LAC and HAC on Security matters. Is this, in fact, true? I hope not, and trust you will inject your guidance into their matters of mutual interest. Since HAC is a comparative newcomer to our methods of operating, they can not be expected to anticipate correct procedures with the same degree of alertness expected of LAC.

Joe M. has indicated that Charlie W. can expect an influx of personnel from HAC in the near future, and I am informed that you, Charlie, and HAC are studying secure procedures for this movement of personnel.

25X1 I suggest you follow the situation, and should there be sufficient speculation aroused at that firm by the number and dollar size of their jobs you may judge it to be in our best interests to process an approval on one or two key personnel.

The implications of the matter mentioned in Section IX, E, are of utmost concern, and I think require immediate action. I suggest you urge Bill T. have one of his Staff report in more detail on this product, and forward your conclusions and recommendations as soon as possible.

There are numerous topics I could touch upon Bill, however, I am pressed for time and want to avoid long delays in responding to the report. Obviously the report is proving productive, as Bill T. anticipated months ago, when he suggested that this approach would keep us all busy all of the time.

My best regards to Bill, his Staff and Ned.

Regards,

Bill C.

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Distribution:

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